



DEPARTMENT OF
COMMERCE
COMMUNITY AND
ECONOMIC DEVELOPMENT
Regulatory Commission of Alaska

Sean Parnell, Governor
Emil Notti, Commissioner
Robert M. Pickett, Chairman

January 19, 2010

Marlene H. Dortch
Federal Communication Commission
Office of the Secretary
445 12th Street, SW
Washington, D.C. 20554

Karen Majcher
Vice President- High Cost and Low Income Division
Universal Service Administrative Company
2000 L Street, N.W., Suite 200
Washington, D.C. 20036

RE: Alaska Supplemental Certification of Universal Service Support Pursuant to 47 C.F.R.
Section 54.313(d)(6)

Dear Ms. Dortch and Ms. Majcher:

The Regulatory Commission of Alaska (Alaska Commission) hereby files this supplement to its 2009 annual certification to the Federal Communications Commission (FCC) and Universal Service Administration Company (USAC)¹ on behalf of GCI.²

On December 18, 2009, the Alaska Commission granted GCI's application to be designated an Eligible Telecommunications Carrier (ETC) in the State of Alaska's Copper Valley Telephone Cooperative, Inc. Study Area³ pursuant to 47 U.S.C. Section 214(e)(2).⁴ GCI's ETC designation for the Copper Valley Telephone Cooperative, Inc. Study Area became effective after the annual certification deadline of October 1, 2009.⁵ As a result, GCI requested that the Alaska Commission file this certification letter with the FCC pursuant to 47 C.F.R. 54.314(d)(6).⁶ That

¹ See Attachment A. *Alaska Certification of Support for Rural High Cost Carriers Pursuant to 47 C.F.R. Sections 54.313-314*, CC Docket Nos. 96-45 and 00-256, filed via First Class U. S. mail to the FCC and USAC on September 29, 2009, and electronically to the FCC on September 28, 2009 (ECFS confirmation numbers 2009928622073/Docket 96-45 and 2009928756915/ Docket 00-256).

² GCI Communication Corp. d/b/a General Communication, Inc., and d/b/a GCI (GCI)

³ National Exchange Carrier Association Code 613006.

⁴ See Attachment B. U-09-065(2) *Order Designating Eligible Telecommunications Carrier for the Provision of Local Exchange Service and Closing Docket*, issued December 18, 2009, in Docket U-09-065 *In the Matter of the Petition Filed by GCI Communication Corp. d/b/a General Communication, Inc. and GCI for Designation as an Eligible Telecommunications Carrier for the Provision of Local Exchange Service in the Copper Valley Telephone Cooperative, Inc. Study Area*, opened June 23, 2009.

⁵ 47 C.F.R. Sections 54.313(d) and 54.314(d).

⁶ *Motion for Certification of GCI's Use of Federal High Cost Universal Service Support in the Copper Valley Study Area and Motion for Expedited Consideration* filed December 30, 2009, into docket U-09-065.

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provision provides an opportunity for newly designated ETCs to receive high-cost support although the October 1 certification deadline of 47 C.F.R. 54.314(d) has passed. In part, the provision holds that if certification is received by the FCC "within 60 days of the effective date of the carrier's designation as an eligible telecommunications carrier" then a carrier such as GCI may be eligible for funding as of its ETC effective date.⁷

To that end, GCI has certified to the Alaska Commission that all federal high-cost universal service support received by it in 2009-2010 for the Copper Valley Telephone Cooperative, Inc. study area will be used pursuant to 47 U.S.C. Section 254(e).⁸ Accordingly, the Alaska Commission certifies that to the best of its knowledge, all federal high cost support that may be provided in 2009-2010 to GCI for the Copper Valley Telephone Cooperative, Inc. study area will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended, consistent with section 254(e) of the Communications Act of 1934, as amended.

Our certification does not preclude us from reviewing in further detail how GCI has employed its federal universal service funds and ordering that use of funds comply with our directives or policies.

Sincerely,

REGULATORY COMMISSION OF ALASKA



Robert M. Pickett
Commission Chair

CC: Martin Weinstein, GCI

⁷ 47 C.F.R. 54.314(d)(6).

⁸ See Attachment C: *GCI's Supplemental Certification for Proper Use of Support for Local Exchange Service for the CVTC Study Area* filed by Rick Hitz on behalf of GCI into Docket U-09-065, dated December 30, 2009.



DEPARTMENT OF
COMMERCE
COMMUNITY AND
ECONOMIC DEVELOPMENT

Regulatory Commission of Alaska

Sean Parnell, Governor
Emil Notti, Commissioner
Robert M. Pickett, Chairman

September 28, 2009

Marlene H. Dortch
Office of the Secretary
Federal Communications Commission
445 12th Street, SW, Room TW-A306
Washington, DC 20554

Karen Majcher
Vice President, High Cost & Low Income Division
Universal Service Administration Company
2000 L. Street, NW, Suite 200
Washington, DC 20036

RE: Alaska Certification of Support for Rural High-Cost Carriers Pursuant to 47 C.F.R Sections 54.313-314, CC Docket Nos. 96-45 and 00-256.

To the Filing Representatives:

The Regulatory Commission of Alaska (Alaska Commission) hereby certifies that to the best of its knowledge based on certifications filed by the utilities involved, all federal high cost support provided to regulated rural carriers in this state will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended, consistent with section 254(e) of the Communications Act of 1934, as amended. This includes High Cost Loop support and Local Switching Support, and high cost support received pursuant to the purchase of exchanges. No companies in Alaska receive High Cost Model support.

Attached (Attachment A) is a list of regulated rural carriers certified as Eligible Telecommunications Carriers (ETCs) by the Alaska Commission pursuant to sections 54.314 of the FCC's rules (47 C.F. R. § 54.314). As requested by the Universal Service Administrative Company, listed beside each carrier is its assigned study area code, if known.

Our certification does not cover non-regulated wireline service areas and each carrier is responsible for self-certifying its compliance with Section 54.314(b) for such areas.

We have included (Attachment B) a separate list of wireless ETCs even though these carriers are not economically regulated by the Alaska Commission. We have done so as we directed the companies to file annual certifications with us concerning their use of funds and we plan to

regularly review their responses in this area. These companies should be filing individual certifications with the FCC and USAC concerning the use of funds by a non-regulated entity.

Our certification does not preclude us from reviewing in further detail how any carrier has employed its federal universal service funds and ordering that use of funds comply with our directives or policies. Our decision does not bind us in future or pending rate cases and we reserve the right to conclude that a company should employ its universal service funding differently than it does today or in the future in light of more recent data or a more detailed review.

Sincerely,

REGULATORY COMMISSION OF ALASKA

A handwritten signature in black ink, appearing to read "Robert M. Pickett", written in a cursive style.

Robert M. Pickett
Chairman

Attachment A

ETCs subject to annual certification under 47 C.F.R. 54.314(a)	Service Area Description NECA Code	ETC Type	
		ILEC	Rural
ACS of Alaska, Inc.	Greatland – 613022 Juneau – 613012	ILEC	Rural
ACS of Fairbanks, Inc.	Fairbanks – 613008	ILEC	Rural
ACS of the Northland, Inc.	Glacier State – 613010 Sitka – 613020	ILEC	Rural
Adak Eagle Enterprises d/b/a Adak Telephone Utility	Adak – 610989	ILEC	Rural
Alaska Telephone Company	ATC – 613017 (all exchanges served, including previous GTE exchanges)	ILEC	Rural
Bettles Telephone, Inc.	Bettles – 613002	ILEC	Rural
Bush-Tell, Inc.	Bush-Tell – 613004	ILEC	Rural
GCI Communication Corp.	Fairbanks – 613008 Juneau – 613012 Ketchikan – 613013 MTA – 613015 Greatland – 613022 Glacier State – 613010	CLEC	Rural
Interior Telephone Company, Inc.	ITC – 613011 (all exchanges served, including previous GTE areas of Seward/Moose Pass)	ILEC	Rural
Matanuska Telephone Association, Inc.	MTA – 613015	ILEC	Rural
Mukluk Telephone Company, Inc.	Mukluk – 613016	ILEC	Rural
North Country Telephone, Inc.	NCTI – 613026	ILEC	Rural
OTZ Telephone Cooperative, Inc.	OTZ – 613019	ILEC	Rural
Summit Telephone and Telegraph Company of Alaska, Inc.	Summit – 613028	ILEC	Rural
United-KUC, Inc.	United-KUC – 613023	ILEC	Rural
United Utilities, Inc.	UUI – 613023	ILEC	Rural
Yukon Telephone Company	YTC – 613025	ILEC	Rural

Attachment B

ETCs subject to annual certification under 47 C.F.R. 54.314(b)	Service Area Description NECA Code	ETC Type	
ACS Wireless, Inc.	Fairbanks – 613008 Glacier State – 613010 Juneau – 613012 MTA – 613015 Greatland – 613022 Ketchikan – 613013 Copper Valley – 613006 Anchorage – 613000	Wireless	Rural & Urban
Alaska Digitel, LLC. (transferred to GCI, effective completion of merger)	MTA – 613015 ACS AK – 619005 Fairbanks – 613008 Glacier State – 613010 Juneau – 613012 Greatland – 613022	Wireless	Rural
ASTAC Wireless, LLC.	Arctic Slope Telephone Association Cooperative – 611449 Arctic Slope Telephone – 613001	Wireless	Rural
Bristol Bay Cellular Partnership	BBCP – 619008 Nushagak – 613018 BBTC – 613003	Wireless	Rural
Copper Valley Wireless, Inc.	Copper Valley – 619006 Copper Valley – 613006 Cordova Telephone Coop., Inc. – 613007	Wireless	Rural
Cordova Wireless Communications, Inc.	Cordova – 619007 Cordova Telephone Coop., Inc. – 613007	Wireless	Rural
Dobson Cellular Systems of Alaska, LLC. (AT&T Mobility)	Dobson – 619004 Copper Valley – 613006 Fairbanks – 613008 Glacier State – 613010 Juneau – 613012 Ketchikan – 613013 MTA – 613015 Alaska Tel Co – 613017 Greatland – 613022 Anchorage – 613000	Wireless	Rural & Urban
MTA Wireless	MTA – 619003 MTA – 613015	Wireless	Rural
GCI Communications Corp. (as a wireless provider)	GCI – 619001 Mukluk – 613016 Adak – 610989 CVTC – 613006 Ketchikan – 613013 ITC – 613011 UUI – 613023 United-KUC – 613023 ASTAC – 613001 OTZ – 613019	Wireless	Rural
OTZ Telecommunications, Inc.	OTZ – 619011 OTZ – 613019	Wireless	Rural
Unicom, Inc. (transferred to GCI)	Unicom – 619009 United Utilities – 613019	Wireless	Rural
Windy City Cellular, LLC. (WCCL)	WCCL – 619012	Wireless	Rural

**Federal Communications Commission**

**The FCC Acknowledges Receipt of Comments From ...
Regulatory Commission of Alaska
...and Thank You for Your Comments**

Your Confirmation Number is: '2009928622073 '

Date Received: Sep 28 2009

Docket: 96-45

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Attachment A

5

**Federal Communications Commission**

**The FCC Acknowledges Receipt of Comments From ...
Regulatory Commission of Alaska
...and Thank You for Your Comments**

Your Confirmation Number is: '2009928756915 '

Date Received: Sep 28 2009

Docket: 00-256

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Attachment A

6

1 STATE OF ALASKA

2 THE REGULATORY COMMISSION OF ALASKA

3 Before Commissioners:

Robert M. Pickett, Chairman
Kate Giard
Paul F. Lisankie
Anthony A. Price
Janis W. Wilson

4
5
6
7 In the Matter of the Petition Filed by GCI)
COMMUNICATION CORP. d/b/a GENERAL)
8 COMMUNICATION, INC. and GCI for)
Designation as an Eligible Telecommunications)
9 Carrier for the Provision of Local Exchange)
Service in the COPPER VALLEY TELEPHONE)
10 COOPERATIVE, INC. Study Area)

U-09-65

ORDER NO. 2

11
12 ORDER DESIGNATING ELIGIBLE TELECOMMUNICATIONS
CARRIER FOR THE PROVISION OF LOCAL EXCHANGE SERVICE
13 AND CLOSING DOCKET

14 BY THE COMMISSION:

15 Summary

16 We designate GCI Communication Corp. (GCI) as an eligible
17 telecommunications carrier (ETC) for the provision of local exchange service in the
18 study area served by Copper Valley Telephone Cooperative, Inc. (CVTC). We close
19 this docket.

20 Background

21 GCI filed a petition for designation as an ETC for the provision of local
22 exchange service in the CVTC study area.¹ We issued public notice of the petition.²

23
24 ¹*Verified Petition by GCI Communication Corp. for Designation as a Carrier*
Eligible to Receive Federal and State Universal Service Support in the Copper Valley
25 *Study Area for Local Exchange Service*, filed June 23, 2009 (Petition).

26 ²*Notice of Utility Petition*, dated July 6, 2009.

1 No comments were filed. We required GCI to file additional information to complete our
2 review.³ GCI filed the required information.⁴

3 Discussion

4 Request for ETC Designation

5 GCI requests designation as an ETC for the provision of local exchange
6 service in the CVTC study area.⁵ ETC status allows a carrier to receive support from
7 federal and state universal service funding to provide, maintain, and upgrade facilities
8 and services for which the support was intended.⁶ The supported services are
9 described in 47 C.F.R. § 54.101(A)(1)-(9).⁷ An ETC must provide the supported
10 services throughout the service area in which it is designated, upon reasonable
11 request.⁸

12 Under the Telecommunications Act of 1996 (the Act),⁹ a state commission
13 shall rule on a common carrier's request for designation as an ETC for a service area
14 established by the commission.¹⁰ In an area served by a rural telephone company,

15 ³Letter Order No. L0900486, dated September 16, 2009.

16 ⁴Response to Letter Order No. L0900486, filed October 2, 2009 (Response to
17 L0900486).

18 ⁵Petition at 1. The CVTC study area is made up of the Valdez, Glennallen,
19 Chitina, McCarthy, Mentasta Lake, and Tatitlek exchanges.

20 ⁶47 U.S.C. § 254(e).

21 ⁷Voice grade access to the public switched network, local usage, dual tone multi-
22 frequency (DTMF) signaling or its functional equivalent, single-party service or its
23 functional equivalent, access to emergency services, access to operator services,
24 access to interexchange service, access to directory assistance, and toll limitation for
25 qualifying low-income consumers.

26 ⁸47 C.F.R. § 54.201(d).

⁹Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (1996),
amending the Communications Act of 1934, 47 U.S.C. §§ 151 *et seq.*

¹⁰47 U.S.C. § 214(e)(2).

1 such as CVTC, service area is defined as the rural telephone company's study area.¹¹

2 The requirements for designation as an ETC are described in the federal code:

3 (1) Eligible telecommunications carriers

4 A common carrier designated as an eligible telecommunications carrier
5 under paragraph (2), (3), or (6) shall be eligible to receive universal service
6 support in accordance with section 254 of this title and shall, throughout the
7 service area for which the designation is received--

8 (A) offer the services that are supported by Federal universal service
9 support mechanisms under section 254(c) of this title, either using its own
10 facilities or a combination of its own facilities and resale of another carrier's
11 services (including the services offered by another eligible
12 telecommunications carrier); and

13 (B) advertise the availability of such services and the charges therefor
14 using media of general distribution.

15 (2) Designation of eligible telecommunications carriers

16 . . . Before designating an additional eligible telecommunications carrier for
17 an area served by a rural telephone company, the State commission shall
18 find that the designation is in the public interest.¹²

19 Following the federal criteria, we require an applicant for designation as an
20 ETC in a rural study area to: (a) demonstrate that it owns some facilities (facilities
21 requirement); (b) demonstrate that it is capable and committed to providing the nine
22 basic services required by Federal Communications Commission (FCC) regulation
23 (service requirement); (c) show that upon obtaining ETC status, the applicant will be
24 able to offer and will advertise the availability of the services supported by the federal
25 universal service fund (USF); and (d) show that granting designation as an ETC is in the
26 public interest.¹³

¹¹47 U.S.C. § 214(e)(5).

¹²47 U.S.C. § 214(e)(1), (2).

¹³See, e.g., Order U-08-159(2), *Order Designating GCI as an Eligible Telecommunications Carrier for the Provision of Wireless Service in the Ketchikan Study Area, Subject to Conditions, and Closing Docket*, dated June 22, 2009.

1 Facilities Requirement

2 GCI is a common carrier authorized by Certificate of Public Convenience
3 and Necessity (Certificate) No. 489 to provide local exchange service in the CVTC study
4 area.¹⁴ GCI currently provides local exchange service in the Valdez exchange using its
5 own cable plant facilities and resale of CVTC services.¹⁵

6 We find that GCI has demonstrated that it meets the facilities requirement
7 for designation as an ETC for the provision of local exchange service in the CVTC study
8 area.

9 Service Requirement

10 GCI must demonstrate that it is capable of and committed to providing the
11 nine basic services required by FCC regulation throughout the CVTC study area.

12 Capability

13 GCI provides service in the Valdez exchange using a combination of its
14 own facilities and resale of CVTC services where GCI is unable to serve using its own
15 facilities.¹⁶ GCI certifies that its local service meets all of the functionalities required by
16 the FCC under 47 C.F.R. § 54.101 (the nine supported services).¹⁷ GCI provided notice
17 that it would begin offering local exchange service in all remaining CVTC exchanges,
18
19
20

21 ¹⁴Petition at 8, Ex. A at 1-5.

22 ¹⁵Petition at 1-2, Ex. B, Network Improvement Plan.

23 ¹⁶Petition at 8. We approved an interconnection agreement between GCI and
24 CVTC in Order U-07-113(2), *Order Approving Interconnection Agreement, Addressing
Timeline, and Amending Docket Caption*, dated October 11, 2007 (Order U-07-113(2)).

25 ¹⁷Petition at 5.

1 outside of Valdez, beginning September 15, 2009.¹⁸ GCI will offer local exchange
2 service in these exchanges through resale of CVTC services.¹⁹

3 GCI states that it offers unlimited local calling with calling features
4 comparable to those offered by CVTC at competitive prices.²⁰ GCI offers basic local
5 service for \$11.88 per month and offers custom calling features for an additional fee.²¹
6 GCI offers several local service packages that include custom calling features at
7 discounted rates.²²

8 GCI states that it will provide Lifeline and Link-Up services in accordance
9 with our regulations.²³ GCI will offer Lifeline customers unlimited local calling for \$1 per
10 month plus applicable taxes and surcharges.²⁴

11 GCI certifies it has and will continue to take steps to remain functional in
12 emergency situations in accordance with our requirements.²⁵ Power supply upgrades
13 were completed in 2007 that ensure eight hours of back-up power.²⁶ GCI states that it
14 will comply with requirements to establish employee emergency procedures and, to the
15 extent feasible, develop an ability to reroute traffic and manage traffic spikes.²⁷

17 ¹⁸Petition at 5. The remaining exchanges are Chitina, Glenallen, McCarthy,
18 Mentasta, and Tatitlek.

19 ¹⁹Petition at 5.

20 ²⁰Petition at 10, Ex. C at 1-7.

21 ²¹Petition, Ex. C at 1-3.

22 ²²Petition, Ex. C at 1.

23 ²³Petition at 11, Ex. D; Response to L0900486 at 5, Ex. 3.

24 ²⁴Petition at 11.

25 ²⁵*Id.* at 9.

26 ²⁶Petition at 9, Ex. B, Network Improvement Plan at 6, App. A at 1.

27 ²⁷Petition at 9.

1 Federal rules require an ETC to provide 911 and enhanced 911 (E911)
2 service to the extent the local government has implemented 911 or E911 systems.²⁸
3 GCI states the local switch installed in Valdez is capable of providing customers with
4 E911 service to the public safety answering point.²⁹ For customers served through
5 resale, GCI states that the E-911 services will be provided through the CVTC network.³⁰

6 Commitment to Serve Throughout CVTC Study Area

7 Network Plan for Valdez Exchange

8 GCI filed a network improvement plan with its petition that indicates GCI
9 proposes to spend approximately \$3.4 million to provide and expand its telephone
10 service in the CVTC study area.³¹ GCI details network expansion projects, network
11 capacity projects, network reliability projects, and local service upgrades that will be
12 completed in the Valdez area through 2011.³² Upon completion of these projects, GCI
13 estimates it will be able to serve 96 percent of households in Valdez and 52 percent of
14 households study area wide using its own facilities.³³ GCI commits to serving all
15 customers in the CVTC study area, upon reasonable request, through its own facilities
16 or application of a seven-step plan.³⁴ GCI provided the following estimates of
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18
19
20

21 ²⁸47 CFR 54.101(a)(5).

22 ²⁹Petition, Ex. B, Network Improvement Plan at 7.

23 ³⁰*Id.*

24 ³¹Petition, Ex. B, Network Improvement Plan at 2.

25 ³²Petition, Ex. B, Network Improvement Plan at 2-4, App. A at 1-2.

26 ³³Petition, Ex. B, Network Improvement Plan at 4.

³⁴Petition at 5-6, Ex. B, Network Improvement Plan at 4-5.

investment in Valdez plant, operational costs, and anticipated USF support from 2007 through 2012.³⁵

Year	Investment	Operating Costs	USF Support
2007/2008	\$2,760,332		
2009	10,526	178,752	184,439
2010	659,446	432,021	303,513
2011	9,446	435,412	476,045
2012	9,446	438,053	575,865
TOTAL	\$3,449,196	\$1,484,238	\$1,539,862

Service to Remaining Exchanges

GCI proposes to serve throughout the CVTC study area by reselling CVTC services where it cannot serve using its own facilities.³⁶ GCI states it will use the

³⁵Petition, Ex. B, Network Improvement Plan at 3; Response to L0900486 at Ex. 1.

³⁶Petition at 5, Ex. B, Network Improvement Plan at 2.

1 seven-step plan in evaluating requests for service.³⁷ GCI has an approved
2 interconnection agreement in place for resale of CVTC local exchange services in the
3 CVTC study area.³⁸ Under the terms of the agreement, GCI will pay retail tariff rates for
4 CVTC resold services.³⁹

5 In its petition, GCI showed it would invest in network improvements in
6 Valdez through 2012.⁴⁰ In its Response to L0900486, GCI stated that this was not
7 intended to foreclose the possibility for additional network expansion of its cable plant in
8

9 ³⁷Petition at 5-6. The seven-step plan for serving customers:

10 (a) if GCI can serve the customer over its own facilities, it will immediately
11 offer local exchange service to the customer.

12 (b) if the customer is in a location where GCI cannot immediately offer local
13 exchange service over its own facilities, GCI will:

14 Step 1: determine whether the customer's equipment can be modified or
15 replaced to provide acceptable service;

16 Step 2: determine whether network equipment can be deployed at the
17 premises to provide service;

18 Step 3: determine whether adjustments can be made to the nearest network
19 location to provide service;

20 Step 4: determine whether there are any other adjustments to the network or
21 customer facilities that will enable service;

22 Step 5: determine if the customer can be served through resale;

23 Step 6: determine what additional facilities will be necessary to serve the
24 customer, evaluate the cost and benefits of using universal service support to
25 deploy those facilities to serve the customer requesting service and any other
26 who may benefit;

Step 7: determine whether the costs of serving a customer are not justified
by the benefit of adding that customer to the network. In this event, GCI will
notify the commission and provide it with its analysis.

³⁸Order U-07-113(2) at 4.

³⁹*Id.*

⁴⁰Petition, Ex. B, Network Improvement Plan at 3.

1 Valdez.⁴¹ Additionally, GCI stated it is actively investigating ways to offer local
2 exchange service over its own facilities to the other CVTC exchanges using a fixed
3 wireless platform or even expanded cable plant.⁴²

4 We find that GCI has demonstrated an ability to provide the supported
5 services and demonstrated a commitment to offer those services throughout the CVTC
6 study area using a combination of its own facilities and resale.

7 Ability to Offer and Advertise Services Upon Designation

8 GCI is currently offering the supported services in the CVTC study area
9 and therefore meets the requirement to offer services upon designation. GCI stated
10 that it would comply with the requirements to advertise the supported services and
11 Lifeline and Link-Up services throughout the CVTC study area in accordance with our
12 new regulation, 3 AAC 53.410(a)(11).⁴³ GCI certifies that it will advertise the supported,
13 Lifeline and Link-Up services within ninety days of designation and once annually
14 thereafter in media of general distribution.⁴⁴ Under our new regulations, GCI will be
15 required to file affidavits of publication to show they have advertised the supported
16 services and Lifeline services throughout the study area on an annual basis.⁴⁵

17 We find that GCI has demonstrated that it meets the requirement to offer
18 and advertise the availability of the supported services upon designation as an ETC.
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20
21

22 ⁴¹Response to L0900486 at 2.

23 ⁴²Response to L0900486 at 2.

24 ⁴³Petition at 9.

25 ⁴⁴*Id.*

26 ⁴⁵3 AAC 53.460(a)(9).

1 Public Interest

2 Before designating a carrier as an ETC in a study area of a rural
3 telephone company, we must determine that such designation is in the public interest.⁴⁶

4 Historically, we have required requesting carriers to show their designation
5 will increase consumer choice, provide high quality and affordable service, improve
6 public safety and provide service to underserved and unserved areas, or achieve some
7 other substantive public benefit.⁴⁷ GCI states that its designation will serve the public
8 interest by providing new and increased choices for consumers in the CVTC study
9 area.⁴⁸ GCI states that USF supported expansion and improvement of its cable
10 facilities in the Valdez area will provide a second competitive wireline telephony service
11 to customers in Valdez and this redundancy may enhance public safety in emergency

12 ⁴⁶47 U.S.C. § 214(e)(2).

13 A State commission shall upon its own motion or upon request designate a
14 common carrier that meets the requirements of paragraph (1) as an eligible
15 telecommunications carrier for a service area designated by the State
16 commission. Upon request and consistent with the public interest,
17 convenience, and necessity, the State commission *may, in the case of an*
18 *area served by a rural telephone company*, and shall, in the case of all other
19 areas, designate more than one common carrier as an eligible
20 telecommunications carrier for a service area designated by the State
21 commission, so long as each additional requesting carriers meets the
22 requirements of paragraph (1) *Before designating an additional eligible*
23 *telecommunications carrier for an area served by a rural telephone company,*
24 *the State commission shall find that the designation is in the public interest.*
25 (emphasis added).

26 ⁴⁷Order U-06-3(2), *Order Approving Request for Eligible Telecommunications*
Carrier Status and Requiring Filings, dated November 2, 2006; Order U-06-4(2), *Order*
Approving Request for Eligible Telecommunications Carrier Status and Requiring
Filings, dated November 2, 2006; Order U-06-41(2), *Order Approving Application for*
Eligible Telecommunications Carrier Status, Subject to Conditions; and Requiring
Filings, dated November 14, 2006, as corrected by *Errata Notice to Order U-06-41(2)*,
dated December 1, 2006.

⁴⁸Petition at 13.

1 situations.⁴⁹ GCI states it will offer the same retail prices, which are below incumbent
2 prices, study area wide so all customers in the study area will benefit from competitive
3 pricing.⁵⁰ Where it serves using its own facilities, GCI states it will offer bundled
4 services including local exchange, long distance, internet and cable television.⁵¹
5 Finally, GCI states that granting of ETC status will promote facilities-based competition
6 on a competitively neutral basis by allowing both the incumbent and GCI to receive USF
7 support for the lines they serve with their own facilities.⁵²

8 There are several factors which influence our decision to grant this
9 application.

10 Weighing against the public interest, we find GCI's application closely
11 resembles a redefinition of CVTC's study area. GCI does not promise to build facilities
12 throughout CVTC's study area. Instead, it will use its federal subsidy to build out in the
13 Valdez exchange and provide service to the remaining exchanges using resale. The full
14 benefits of bundling cable, internet, long distance and local exchange service will only
15 be available to customers who receive service over GCI's own facilities in Valdez.
16 Customers living outside the cable plant's footprint will not benefit from these services.

17 We would normally expect in response to GCI's application that the
18 incumbent local exchange carrier would file adverse comments and request a hearing.
19 However, the incumbent local exchange carrier, CVTC, filed no comments. We
20 determine that the lack of adverse comments means that others do not share our
21

22
23 ⁴⁹Petition at 14.

24 ⁵⁰*Id.* at 13.

25 ⁵¹*Id.*

26 ⁵²*Id.* at 14.

1 concern about the possible implication of GCI's ETC application and that no hearing is
2 necessary to further evaluate this issue in this docket.

3 Weighing in favor of the public interest is GCI's promise that it will offer
4 consumers the same retail prices study area wide that consumers in Valdez are
5 enjoying. Over the long term, this promise may provide substantial benefit to ratepayers
6 outside of the Valdez exchange and we consider it, together with the lack of protest
7 from the incumbent, to be the primary factors influencing our decision to grant this
8 application.

9 ETC Designation

10 We find that GCI has demonstrated that it meets the requirements for
11 designation as an ETC for the provision of local exchange service in the CVTC study
12 area. Therefore, we designate GCI as an ETC for the provision of local exchange
13 service in the CVTC study area. Our ETC regulations at 3 AAC 53.400-3 AAC 53.499
14 govern GCI's obligations as an ETC on a going forward basis.⁵³

15 Final Order

16 This order constitutes the final decision in this proceeding. This decision
17 may be appealed within thirty days of the date of this order in accordance with
18 AS 22.10.020(d) and the Alaska Rules of Court, Rule of Appellate Procedure
19 (Ak. R. App. P.) 602(a)(2). In addition to the appellate rights afforded by
20 AS 22.10.020(d), a party has the right to file a petition for reconsideration as permitted
21 by 3 AAC 48.105. If such a petition is filed, the time period for filing an appeal is then
22 calculated under Ak. R. App. P. 602(a)(2).

23
24
25 ⁵³3 AAC 53.400.
26

Docket Closure

No substantive or procedural matters remain in this proceeding, and there are no allocable costs under AS 42.05.651 and 3 AAC 48.157. Accordingly, we close this docket.

ORDER

THE COMMISSION FURTHER ORDERS:

1. GCI Communication Corp. d/b/a General Communication, Inc. and GCI is designated as an eligible telecommunications carrier for the provision of local exchange service in the study area served by Copper Valley Telephone Cooperative, Inc., effective the date of this order.

2. Docket U-09-65 is closed.

DATED AND EFFECTIVE at Anchorage, Alaska, this 18th day of December, 2009.

BY DIRECTION OF THE COMMISSION



**GCI'S SUPPLEMENTAL CERTIFICATION OF PROPER USE OF SUPPORT
FOR LOCAL EXCHANGE SERVICE FOR THE CVTC STUDY AREA**

U-09-94 (1) ETC Data Response and Affidavit

Data to be provided by economically regulated and wireless Eligible
Telecommunications Carriers receiving loop or switch federal universal service support.

Company Name: GCI Date: December 30, 2009

Contact Name: Rick Hitz

Phone Number: (907) 868-5612

DATA IS TO BE PROVIDED BY SEPARATE FORM FOR EACH STUDY AREA
SERVED. COMPANIES THAT HAVE PURCHASED GTE EXCHANGES SHOULD
FILE SEPARATE FORMS FOR THEIR NON-GTE AND GTE AREAS.

STUDY AREA: 613006 (CVTC Study Area)

Line Data	USOA Title	USOA Acct. No.	Amount Received For 2008
1	Federal Local Loop Support		\$ 0
2	Federal Local Switching Support		0
3	State Local Switching Support		0
4	Total Federal and State Loop Switching Support		0

5. Explain how your company employed universal service funds received in the last twelve months.

GCI did not receive any universal service support for its wire line local service for the CVTC Study Area in the past 12 months.

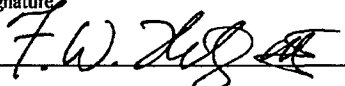
6. Explain how your company plans to employ universal service funds to be received in 2009-10. For example, indicate how the funds will benefit your company's expansion plans, facilities deployment, or rates charge.

GCI will use USF support received in 2009-10 only for the provision, maintenance, and upgrading of facilities and services for which the support is intended pursuant to 47 USC 252(e) and 47 CFR 54.7. Accordingly, GCI will use the support received to, among other things, offer and advertise the services and functionalities supported by federal universal service support, support, maintain, and upgrade the company's facilities and services, expand coverage, improve service quality and capacity, and, enhance emergency operations.

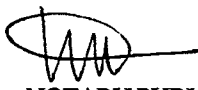
7. Affidavit:

As an authorized corporate officer of GCI Communication Corp., the holder of Certificate of Public Convenience and Necessity No. 489, issued by the Regulatory Commission of Alaska, I declare under penalty of unsworn falsification that I have examined this form and to the best of my knowledge and belief it is true, correct, and complete.

I hereby affirm familiarity with and understanding of the requirements of the Communications Act of 1934 as Amended by The Telecommunications Act of 1996 with Respect to the receipt of Universal Service Funds and affirm that such funds received in 2009-10 will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended pursuant to 47 U.S.C. 254(e).

Signature 	Type or Print Name F.W. Hitz, III	Date 12/29/09
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Subscribed and Sworn to before me this 30th day of December, A.D. 2009



NOTARY PUBLIC

Commission Expires

